

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

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In re:

PROMESA
Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO
et al.,

(Jointly Administered)

Debtors.¹

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ORDER DENYING RENEWED MOTION OF
UBS FINANCIAL SERVICES INCORPORATED OF PUERTO RICO FOR
RELIEF FROM THE AUTOMATIC STAY AND CLARIFYING THE SCOPE OF THE AUTOMATIC STAY

The Court heard argument in connection with the *Renewed Motion of UBS Financial Services Incorporated of Puerto Rico for Relief from the Automatic Stay* (Docket Entry No. 12561 in Case No. 17-3283 and Docket Entry No. 853 in Case No. 17-3566, the “Renewed Lift Stay Motion”), filed by UBS Financial Services Incorporated of Puerto Rico (“UBS Financial”), at the Omnibus Hearing held on April 22, 2020 (the “Hearing”).

For the reasons stated on the record at the Hearing, the Court hereby clarifies that UBS Financial is not precluded from opposing the motion to strike UBS Financial’s counterclaims that is currently pending before the Commonwealth of Puerto Rico Court of First Instance, San Juan Part (the “Commonwealth Court”), in the civil action captioned

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Administración de los Sistemas de Retiro de los Empleados del Gobierno y la Judicatura de Puerto Rico v. UBS Fin. Servs. Inc. of Puerto Rico, Civ. No. KAC-2011-1067 (803) (the “ERS Action”). The Court further clarifies that UBS Financial is not precluded from appealing any order issued by the Commonwealth Court striking UBS Financial’s counterclaims, as long as any such appeal is permitted under Commonwealth law and procedures, and that the automatic stay does not prevent UBS Financial from defending itself against claims asserted against it by the plaintiffs in the ERS Action.

The Renewed Lift Stay Motion is denied in all other respects, without prejudice to renewal if UBS Financial’s counterclaims survive the pending motion practice in Commonwealth Court. This Order resolves Docket Entry No. 12561 in Case No. 17-3283 and Docket Entry No. 853 in Case No. 17-3566.

SO ORDERED.

Dated: April 22, 2020

/s/ Laura Taylor Swain
LAURA TAYLOR SWAIN
United States District Judge